

Department of Energy
Washington, DC 20585

February 1, 2005

**FISCAL YEAR 2005 PRIORITIES FOR THE
APPLIANCE STANDARDS RULEMAKING PROCESS**

The Department of Energy's (DOE or Department) Building Technologies Program has completed its review of the draft priority levels for fiscal year (FY) 2005 and thanks all stakeholders who provided comments. These final priority levels assist DOE in determining the allocation of available resources during the coming year. The Department plans to devote considerable resources to each active standards and test procedure rulemaking; supporting activities such as technical feasibility and economic impact analyses; public meetings; and the issuance of various rulemaking notices, as appropriate.

Committed to seeking stakeholder input in prioritization decisions as described in the Process Rule, 61 FR 36974 (July 15, 1996), the Department posted a memorandum, a technical support document, and other analytical materials on the web in April 2004, conducted a public meeting on June 9, 2004, and requested comments be submitted by July 9, 2004. The Department has carefully reviewed all comments received, both those specific to individual products, and those pertinent to the prioritization process itself.

Responding to stakeholder concerns regarding the differentiation of the high, medium, and low priority categories, the Department has revised its system of priority designations to more clearly indicate DOE's intentions for FY 2005 and the status of each product. The new priority designations are:

- *Active Rulemaking*
- *Pending Rulemaking*
- *Preliminary Analysis*
- *No Current Activity*
- *Priority Not Specified*

Active Rulemaking indicates that DOE is actively developing an Advance Notice of Proposed Rulemaking (ANOPR), a Notice of Proposed Rulemaking (NOPR), or Final Rule. The Department will concentrate its resources during the fiscal year on these rulemakings.

Pending Rulemaking indicates that a product is in line for *Active Rulemaking* status, pending resource availability. Further analysis or other activities during this stage could result in the decision that the appropriate priority should be *No Current Activity* rather than *Active Rulemaking*.



Preliminary Analysis indicates that initial or ongoing data gathering, research, or analytical activities will be conducted to determine whether or not to take rulemaking actions for standards, to support the possible revision or development of test procedures, or to prepare for determination and coverage rulemakings.

No Current Activity indicates that the Department will conduct no activity for the product in the fiscal year.

Priority Not Specified indicates products that have met the legislative requirement of two rulemaking cycles, or products with high potential energy savings that could be added to the standards program through the coverage process.

The Department has revised its proposed priorities according to the new designations. The rulemaking schedules shown in the Regulatory Agenda include the estimated time to accomplish all of the rulemaking analyses (e.g., engineering, national impact, manufacturer impact, environmental assessment, peer review, etc.).

The Department will work on the following *Active Rulemakings* in FY 2005:

- The majority of staff and contractual resources will be focused on the preparation of NOPRs for these standards *Active Rulemakings*:
 - residential furnaces and boilers;
 - commercial central air conditioners and heat pumps, 64 – 240 kBtu/hr; and
 - distribution transformers.
- For the following *Active Rulemakings*, the Department will conduct a public meeting, after which DOE will either adopt the ASHRAE standards by proceeding to a Direct Final Rule, or decide to conduct full rulemaking processes, if warranted. This plan is consistent with the Process Rule's guidance to provide opportunities for early public input into the rulemaking process.
 - packaged terminal air conditioners and heat pumps;
 - commercial oil- and gas-fired package boilers;
 - tankless gas-fired instantaneous water heaters;
 - commercial central air conditioners and heat pumps, 3 Phase, <65 kBtu/hr; and
 - single-packaged vertical units (SPVU).
- These test procedures are *Active Rulemakings* scheduled to move toward Final rules in FY 2005:
 - distribution transformers; and
 - residential central air conditioners and heat pumps. (Note: small duct high velocity (SDHV) systems will require additional changes to test procedure in second rulemaking phase.)

Although the majority of program resources will be focused on the above rules, DOE will continue work on the following determinations and coverage rules, designated as *Preliminary Analysis* status:

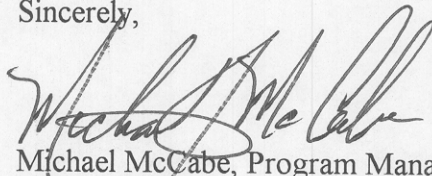
- high intensity discharge lamp determination;
- small electric motor determination; and
- coverage rulemakings (for beverage merchandisers and beverage vending machines; ceiling fans; commercial reach-in refrigerators, freezers, and refrigerator-freezers; incandescent reflector lamps – ER/BR shaped; and torchieres).

The complete listing of the Department's FY 2005 priorities is shown in the five attached tables, which use the new priority designations described above. The Department notes that standards for residential refrigerators, refrigerator-freezers, and freezers have been placed in the *Priority Not Specified* category, since the legislative requirement for two rulemakings has been met. However, because of the petition submitted to the Secretary of Energy on June 1, 2004, requesting that the Department conduct a rulemaking to determine if the existing standards should be amended for these products, the Department will determine what actions it will take in responding to the petition in a separate action from this prioritization process.

While this letter report cannot address all of the many issues submitted in comments and at the public meeting, the Department has heard and taken seriously all suggestions in developing this year's prioritization. Some comments raised policy issues outside the scope of this prioritization process that we are unable to address here. Stakeholder comments regarding analytical issues and program procedures make an important contribution to our ongoing effort to improve our rulemaking process. Comments on specific products will be considered as work on those projects continues, and as DOE prepares new data sheets for existing and potential new products in the next priority-setting cycle. The Department welcomes stakeholder suggestions on data sources to update future analyses.

Again, thank you for your participation in this prioritization process. The fall Regulatory Agenda reflects DOE's FY2005 priorities. If you have any questions, please contact Bryan Berringer at (202) 586-0371 or by e-mail: bryan.berringer@ee.doe.gov.

Sincerely,



Michael McCabe, Program Manager
Building Technologies
Energy Efficiency and Renewable Energy

Attachment:

Summary of Fiscal Year 2005 Priorities (Standards, Test Procedures, Determinations, Coverage, Priority Not Specified)

SUMMARY OF FY 2004 & FY 2005 PRIORITIES

STANDARDS

	FY 2004	FY 2005 Proposed	FY 2005 Final Priorities
Commercial Air-Cooled Central Air-Conditioners and Air-Source Heat Pumps, 65-240 kBtu/hr	High	High	Active Rulemaking
Distribution Transformers	High	High	Active Rulemaking
Residential Furnaces and Boilers	High	High	Active Rulemaking
Commercial Air-Cooled Central Air Conditioners and Heat Pumps, 3 phase, <65 kBtu/hr	High	High	Active Rulemaking
Commercial Oil- and Gas-Fired Packaged Boilers	High	High	Active Rulemaking
Packaged Terminal Air Conditioners and Heat Pumps	High	High	Active Rulemaking
Single-Packaged Vertical Units (SPVU)	N/A	High	Active Rulemaking
Tankless Gas-Fired Instantaneous Water Heaters	High	High	Active Rulemaking
Dishwashers	Medium	Medium	Pending Rulemaking
Commercial Furnaces	Low	Low	No Current Activity
Commercial Water-Cooled Air Conditioners and Water-Source Heat Pumps	Low	Low	No Current Activity
Commercial Water Heaters	Low	Low	No Current Activity
Cooking Products – Ranges (Ovens and Cooktops) and Microwave Ovens	Low	Low	No Current Activity
Direct Heating Equipment including Vented Hearth Products, Gas	Low	Low	No Current Activity
Electric Motors, 1-200 HP	Low	Low	No Current Activity
Fluorescent Lamp Ballasts	Low	Low	No Current Activity
Lamps, Fluorescent	Low	Low	No Current Activity
Lamps, Incandescent General Service	Low	Low	No Current Activity
Lamps, Incandescent Reflector	Low	Low	No Current Activity
Note: Bold italics indicate a change since the April 27, 2004 memorandum proposing FY 2005 priorities.			

Standards (continued)			
	FY 2004	FY 2005 Proposed	FY 2005 Final Priorities
Plumbing Fixtures/Fittings	Low	Low	No Current Activity
Pool Heaters, Gas	Low	Low	No Current Activity
Residential Central Air Conditioners and Heat Pumps (including SDHV)	Low (High for SDHV)	Low	No Current Activity
Residential Clothes Dryers	Low	Low	No Current Activity
Residential Water Heaters	Low	Low	No Current Activity
Room Air Conditioners	Low	Low	No Current Activity

Note: Bold italics indicate a change since the April 27, 2004 memorandum proposing FY 2005 priorities.

SUMMARY OF FY 2004 & FY 2005 PRIORITIES

TEST PROCEDURES

	FY 2004	FY 2005 Proposed	FY 2005 Final Priorities
Distribution Transformers	High	High	Active Rulemaking
Residential Central Air Conditioners and Heat Pumps (including SDHV)	N/A (SDHV High)	High	Active Rulemaking (including SDHV)
Compact Refrigerators and Refrigerator-Freezers	Medium	Medium	Pending Rulemaking
Beverage Merchandisers and Beverage Vending Machines	N/A	High	<i>Preliminary Analysis</i>
Ceiling Fans	N/A	High	<i>Preliminary Analysis</i>
Commercial Reach-In Refrigerators, Freezers, and Refrigerator-Freezers	N/A	High	<i>Preliminary Analysis</i>
Lamps, Incandescent Reflector – ER/BR shaped	N/A	High	<i>Preliminary Analysis</i>
Residential Clothes Washers*	High	Low	<i>Preliminary Analysis</i>
Residential Combination Appliances	N/A	Low	<i>Preliminary Analysis</i>
Torchieres	N/A	High	<i>Preliminary Analysis</i>
Commercial Air-Conditioners and Heat Pumps	High	High	No Current Activity
Commercial Furnaces	High	High	No Current Activity
Commercial Oil- and Gas-Fired Packaged Boilers	High	High	No Current Activity
Commercial Water Heaters	High	High	No Current Activity
Cooking Products – Ranges (Ovens and Cooktops) and Microwave Ovens	Low	Low	No Current Activity
Direct Heating Equipment including Vented Hearth Products, Gas	Low	Low	No Current Activity
Dishwashers	Low	Low	No Current Activity

Note: Bold italics indicate a change since the April 27, 2004 memorandum proposing FY 2005 priorities.

* The Department will continue to work to find a suitable replacement for the test cloth used in the test procedure.

Test Procedures (continued)			
	FY 2004	FY 2005 Proposed	FY 2005 Final Priorities
Electric Motors, 1-200 HP	Low	Low	No Current Activity
Fluorescent Lamp Ballasts	Low	Low	No Current Activity
High Intensity Discharge Lamps	Low	Low	No Current Activity
Lamps, Fluorescent	Low	Low	No Current Activity
Lamps, Incandescent General Service	Low	Low	No Current Activity
Lamps, Incandescent Reflector	Low	Low	No Current Activity
Plumbing Fixtures/Fittings	Low	Low	No Current Activity
Pool Heaters, Gas	Low	Low	No Current Activity
Refrigerators, Refrigerator-Freezers & Freezers	Low	Low	No Current Activity
Residential Clothes Dryers	Low	Low	No Current Activity
Residential Furnaces and Boilers	Low	Low	No Current Activity
Residential Water Heaters	Low	Low	No Current Activity
Room Air Conditioners	Low	Low	No Current Activity
Small Electric Motors	Low	Low	No Current Activity

Note: Bold italics indicate a change since the April 27, 2004 memorandum proposing FY 2005 priorities.

Determinations

	FY 2004	FY 2005 Proposed	FY 2005 Final Priorities
High Intensity Discharge Lamps	High	High	<i>Preliminary Analysis</i>
Small Electric Motors	High	High	<i>Preliminary Analysis</i>

Coverage

	FY 2004	FY 2005 Proposed	FY 2005 Final Priorities
Beverage Merchandisers and Beverage Vending Machines	High	High	<i>Preliminary Analysis</i>
Ceiling Fans	High	High	<i>Preliminary Analysis</i>
Commercial Reach-In Refrigerators, Freezers, and Refrigerator-Freezers	High	High	<i>Preliminary Analysis</i>
Lamps, Incandescent Reflector – ER/BR shaped	High	High	<i>Preliminary Analysis</i>
Torchieres	High	High	<i>Preliminary Analysis</i>

Priority Not Specified (Standards and Test Procedures)

	FY 2004	FY 2005 Proposed	FY 2005 Final Priorities
Battery Chargers / External Power Supplies	N/A	Not Specified	Not Specified
Refrigerators, Refrigerator-Freezers, Freezers, and Compact Refrigerators*	Low	Low	<i>Not Specified</i> (standards)
Residential Clothes Washers	Low	Low	<i>Not Specified</i> (standards)

Note: Bold italics indicate a change since the April 27, 2004 memorandum proposing FY 2005 priorities.

* The refrigerator petition will be formally addressed in a separate action.